REMARKS

Claims 6-15 were pending in the application. Claims 6, 7, 11, 12, and 16 have been

amended. New claims 17 and 18 have been added. No new matter has been introduced.

Support for the new claims can be found in Applicant's specification as published in United

States Patent Publication 2002/0165901, specifically at paragraphs [0033] – [0038]. Applicant

respectfully requests reconsideration.

CLAIM REJECTIONS UNDER 35 USC §112, FIRST PARAGRAPH

The Office Action rejected claims 6-15 under 35 USC 112 as failing to comply with

the written description requirement. More specifically, this rejection is based on the use of the

term "desirable property." The Office Action contends that the term "desirable property is not

defined in the specification..." Applicant respectfully disagrees and points to paragraph [0026]

of the Patent Application Publication No. 2002/0165901 which defines "desirable" as lowest

cost.

The term "property" is a notoriously well known word that is defined as "an essential

or distinctive attribute or quality of a thing: the chemical and physical properties of an

element." See Random House Unabridged Dictionary, © Random House, Inc. 2006. In the

context of software objects a "desirable property" is an attribute of an object that has the lowest

cost. Those skilled in the art would understand the above use of the term and hence the

rejection should be withdrawn.

The Office Action also rejected claims 6-15 as failing to comply with the enablement

requirement. Specifically this rejection is based on a misinterpretation of an example provided.

The Office Action quotes part of the example and says that it "makes no sense as the cost at

each warehouse is not determined so the minimum cost cannot be determined." Applicants

point out that the specification states before the part quoted: "A desirable property of each

object is then determined, as by the cost minimization methods discussed hereinabove." Once

those discussions are considered, the example does indeed make sense.

Nevertheless, in order to advance prosecution while making no concessions,

Applicant has amended the claims to recite "lowest cost property" for "desirable property."

CLAIM REJECTIONS UNDER 35 USC §112, SECOND PARAGRAPH

Claims 6-15 have been rejected as indefinite for failing to particularly point out and

distinctly claim the subject matter which applicant regards as the invention. This is another

rejection based on the Examiner's failure to understand the term "desirable property." As

shown above the term is adequately defined in the specification.

CLAIM REJECTIONS UNDER 35 USC §101

The Office Action rejected claims 6-15 under 35 USC 101 as being directed to non-

statutory subject matter.

Determining subject matter patentability analysis begins with the statute. Section 101

provides:

"Whoever invents or discovers any new and useful

process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title."

Excluded from patent protection are laws of nature, physical phenomena, and abstract ideas. Diamond v. Diehr, 450 U.S. 175 (1981). The United States Court of Appeals for the Federal Circuit has noted that the repetitive use of the expansive term "any" in § 101 shows Congress's intent not to place any restrictions on the subject matter for which a patent may be obtained beyond those specifically recited in § 101. State Street Bank & Trust Co. v. Signature Fin. Group, 149 F.3d 1368, 47 USPQ2d 1596 (Fed. Cir. 1998), cert. denied, --- U.S. ---, 119 S. Ct. 851 (1999).

Moreover, the Supreme Court has acknowledged that Congress intended § 101 to extend to "anything under the sun that is made by man." Diamond v. Chakrabarty, 447 U.S. 303, 309 (1980); see also Diamond v. Diehr, 450 U.S. 175, 182 (1981). Thus, it is improper to read limitations into § 101 on the subject matter that may be patented where the legislative history indicates that Congress clearly did not intend such limitations. See Chakrabarty, 447 U.S. at 308 ("The Federal Circuit has also cautioned that courts 'should not read into the patent laws limitations and conditions which the legislature has not expressed." (citations omitted)). State Street Bank & Trust Co. v. Signature Fin. Group, supra.

Claim 6, as amended, and its dependent claims all relate to a tangible object – a computer readable storage medium. Support for the amendment is found at paragraph [0046] of Patent Application Publication No. 2002/0165901. Therefore, those claims relate to patent eligible

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subject matter.

Claim 11 has been amended to specify that the method is <u>carried out in a computer</u>

system. The Federal Circuit recently held that:

"a claim reciting an algorithm or abstract idea can state statutory subject matter only if, as

employed in the process, it is embodied in, operates on, transforms, or otherwise involves another

class of statutory subject matter, i.e., a machine, manufacture, or composition of matter. 35 U.S.C.

§ 101.

See In re Comiskey, 499 F.3d 1365, 1377 (Fed. Cir. 2007). In the instant case, method claim 11

involves the statutory class of machines. Therefore, claim 11 and its dependent claims recite

patentable subject matter.

CLAIM REJECTIONS UNDER 35 USC §102

The Office Action has rejected claims 6-15 under 35 USC 102 as being anticipated by

Kimelman, Published Patent Application No. 2002/0111697.

Applicant respectfully traverses this rejection on grounds that Kimelman is not **prior** art

at all. Kimelman and the instant application were both filed on the same date and both claimed

priority from U.S. Provisional Application No. 60/267,573, filed Feb. 9, 2001.

Therefore, Applicant respectfully solicits withdrawal of the anticipation rejections.

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For the foregoing reasons, Applicant respectfully requests allowance of the pending claims.

Respectfully submitted,

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